



UNITED STATES DEPARTMENT OF JUSTICE

WASHINGTON, D. C.

February 24 1961

Address Reply to the  
Division Indicated  
and Refer to Initials and Number

Lawrence Houston,  
General Counsel  
Central Intelligence Agency  
Washington, D. C.

Dear Mr. Houston:

In connection with this Department's efforts to propose to Congress amendments which would strengthen our espionage statutes, we have been considering proposing legislation which would make it a criminal offense for any person who has lawfully had access to classified information to threaten to unlawfully divulge such information. A copy of a draft of such a proposed Bill is attached.

You will note that the proposed legislation takes the form of an amendment to Title 18, U.S.C., Section 873 (blackmail).

The possible desirability of such legislation suggested itself a couple of years ago when your agency referred to this Division a matter involving a former employee who was threatening to disclose information concerning certain of the Central Intelligence Agency's activities. You will recall that at that time we were unable to institute any affirmative prosecutive action in the absence of a Federal extortion statute applicable to such activity.

I would appreciate your views of the attached proposal, including particularly any information you could furnish as to the need for such legislation. It would be of considerable assistance to this Department if you could advise us whether or not there have been other instances similar to the one mentioned above, which may have been handled administratively, but would indicate the need or lack of need for such legislation.

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In drafting this proposal in the form in which it has been done, we have tried to draft the statute in such a way as to enable the Government to prosecute without the necessity of introducing the national defense information into evidence. We have therefore broadened the proposed legislation to include any information, classified or unclassified, in an effort to make the gist of the offense the extortion threat rather than the disclosure of information.

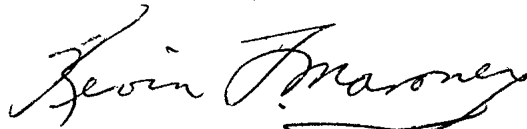
For your additional information and consideration in this matter there are enclosed a copy of this Division's memorandum to the Deputy Attorney General dated January 24, 1961, and a copy of a memorandum dated February 1, 1961, which was prepared in the Office of the Deputy Attorney General.

You will note there is attached an original draft of the proposed bill, which was the subject of the memorandum prepared in the Office of the Deputy Attorney General. Also attached is a "second draft" of the proposed bill which we hope will meet some of the objections in the latter memorandum.

Sincerely,

J. WALTER YEAGLEY  
Assistant Attorney General  
Internal Security Division

By:



KEVIN T. MARONEY,  
Chief, Appeals and Research Section

Enclosures

2<sup>nd</sup> Draft

PROPOSED DRAFT

A BILL

Proposed Amendment to 18 U.S.C. 873

Be it enacted by the Senate and House of Representatives  
of the United States of America in Congress assembled, That Section  
873 of Title 18, United States Code is amended by inserting ; or after  
the word "thing" in the present section deleting all words thereafter  
in the present section, and adding thereto the following new paragraphs  
to read as follows:

Whoever, being or having been an <sup>[officer or]</sup> employee of  
<sup>[or of any agency or department thereof,]</sup> the United States, <sup>[any]</sup> under ~~(a)~~ threat of disclosing  
~~or as a consideration for not disclosing,~~ <sup>[any]</sup> informa-  
<sup>[or claimed by said person & have been against in the course of his]</sup> tion acquired ~~during his employment by the United~~  
~~employment or official duties,~~ States, ~~maliciously~~ demands or receives any money or  
other valuable thing from any officer, employee or per-  
son acting for or on behalf of the United States or  
any department or agency thereof,

Shall be fined not more than \$2000 or imprisoned  
not more than one year, or both.